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BOLIVIA: General Torres' new cabinet appears, on the whole, to be moderate-left, but does include one or two Marxists.

The naming of the cabinet was delayed, probably because Torres and the disparate groups he is relying on for support had difficulty reaching agreement. The roughly equal mix of left and center, military and civilian, and pro- and anti-US ministers in the new government also indicates that some sort of compromise was reached. There are four hold-overs from the Ovando cabinet, but only one of these was a member of the young leftist group that was opposed by moderates in the armed forces. None of the leftists who had been forced out of the Ovando government in recent months was included.

The make-up of the cabinet, and the failure of the threatened countercoup to materialize, suggest that the military officers who had announced their opposition to Torres gained at least some of their objectives through negotiation with Torres' army chief yesterday.

In a press interview Thursday night the new President outlined some of the policies that will guide his government. Torres declared that his government will be "nationalist and revolutionary" but "by no means extreme leftist." He said further that he will respect the compensation agreement on Gulf Oil's expropriated property, thereby rejecting one of the demands made on him by the worker-student coalition that helped bring him to power.

Torres' apparent compromise with the military, as well as with political and economic reality, will cost him support among the extreme leftist elements. In fact, some labor leaders are already saying that they are disappointed with the cabinet and that Torres no longer enjoys complete labor support.

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EAST GERMANY: Pankow may be setting the stage for a resumption of talks with Bonn.

Party boss Ulbricht and Premier Willi Stoph this week linked "realization" of the aims of the recent Soviet - West German treaty with the establishment of normal diplomatic relations between Bonn and East Berlin. Stoph called for early West German ratification of the treaty and Ulbricht reiterated Pankow's readiness to establish relations. Both, however, reaffirmed the long-standing East German position that such relations must be on the basis of international law, and Stoph specifically rejected the concept of special "inner German" relations as envisaged by the Brandt government.

Meanwhile, the main party daily, Neues Deutschland, warned the East German public against believing that the Soviet - West German treaty signified a lessening of ideological tensions between Pankow and Bonn. It called, instead, for increased vigilance against West German attempts to spread "illusions" about its political aims toward Pankow.

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UN-CHINA: Support for Taiwan as the sole representative of China in the UN has eroded in recent weeks.

As a result of shifts in position already announced or contemplated, the possibility exists that Peking may for the first time receive a small majority on the traditional Albanian resolution that seeks to seat Peking and expel Taiwan. Peking almost certainly still lacks the votes, however, to defeat the Important Question ruling which makes its admission dependent on a two-thirds majority.

The declining support for Taiwan is due in part to Peking's general campaign to improve relations with a variety of states, plus specific assurances that it is again "interested" in taking the Chinese seat in the UN. In other cases, domestic political developments have been the important consideration. In Latin America, for example, Peru is expected to move from approval to opposition on the Important Question, and Chile, should Allende be confirmed as president on 24 October, undoubtedly will shift from abstention to approval of the Albanian proposal.

Because additional shifts in voting intentions are likely before the issue is considered by the General Assembly in mid-November, the final outcome cannot now be predicted. Taiwan could pick up some of the still uncertain votes, but an announcement by Canada in the next week or two that it has recognized Peking would have the opposite effect. Italy would in that event follow suit, and might do so in time to join Ottawa in voting to seat Peking. Additional voting changes may also occur in that case.]

While it remains unlikely that even the worst possible outcome will lead either to Peking's admission or the expulsion of Taiwan this year, Taipei may be growing nervous about the negative psychological impact that this year's Assembly vote could have on the representation issue in the future.

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SIERRA LEONE: Prime Minister Stevens' crackdown on his political opponents moves the two sides closer to a possible violent showdown.

Stevens apparently acted in response to the insistent demands of hard-liners within his All People's Congress party when on 8 October he ordered the arrest of his most important opponents. At the same time, he banned their newly formed party and silenced their newspaper. This opposition group had been part of the disparate ruling coalition until last month when it broke with Stevens over his plans to introduce a new constitution, which they saw as the first step toward one-man rule. Stevens and his supporters view the new opposition party as a particularly strong threat because it has been campaigning vigorously in the north, a traditionally strong base of the ruling party.

The prime minister's attempts to crush his opposition will accelerate the country's political fragmentation. Violent clashes between armed supporters of the two groups already have occurred in several northern cities and now are likely to The next development appears to rest with lower ranking members of the politically divided security forces, who now must decide whether they will carry out Stevens' orders to suppress his opponents.

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LIBYA: All but two oil producers, both relatively small, have fallen into line and signed new tax and revenue agreements with the government. Some Libyan production cutbacks imposed earlier this year may not be lifted, but the threat to West European oil supplies has eased. Output this year probably will be about the same as in 1969. Libyan oil revenues, which have totaled about \$1.2 billion annually, are expected to rise at least 20 percent as a result of the new pacts.

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ALGERIA-USSR: The first delivery of Soviet SU-7 fighter-bombers recently took place at Algeria's main naval base at Mers el Kebir.

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The level of Soviet seaborne military deliveries to Algeria has increased slightly in 1970 over the arrivals registered in 1969. Moscow probably agreed in late 1968 to provide Algeria with SU-7's and may have delayed shipment until pilot training in the USSR was completed.

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CUBA - WARSAW PACT: A high-level Cuban military delegation headed by Armed Forces Minister Raul Castro has left for East Germany to observe the Warsaw Pact "Comrades-in-Arms" exercise scheduled to begin next week. Castro also headed the last Cuban delegation to the Warsaw Pact maneuvers in late 1965. At that time he held lengthy conversations with top Soviet officials and paid visits to Czechoslovakia and Bulgaria.

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ROMANIA: Premier Maurer, who was injured in an automobile accident on 5 October, is apparently out of danger. There is still no indication whether Maurer will be able to resume his duties as prime minister; in the meantime, First Deputy Premier Ilie Verdet presumably is filling in.

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